STATE OF HAWAII
DEPARTMENT OF LAND AND NATURAL RESOURCES
Land Division
Honolulu, Hawaii 96813

February 10, 2006

Board of Land and Natural Resources
State of Hawaii
Honolulu, Hawaii   OAHU

After-the-fact Consent to Lease of Lands under Governor's
Executive Order No. 3736 to the Hawaii State Federal Credit
Union, Kapolei, Ewa, Oahu, Tax Map Key: (1) 9-1-088:005 (por).

CONTROLLING AGENCY:

Department of Accounting and General Services (DAGS)

APPLICANT:

Hawaii State Federal Credit Union, whose business address is 560
Halekauwila Street, Honolulu, Hawaii 96813, the Lessee.

LEGAL REFERENCE:

Section 171-11 and 171.43.1, Hawaii Revised Statutes, as amended.

ZONING:

State Land Use District: Urban
County of Honolulu CZO: B-2 Community Business District

TRUST LAND STATUS:

Donated by the Estate of James Campbell in 1997 (non-trust
lands).

DHHL 30% entitlement lands pursuant to the Hawaii State
Constitution: YES _____   NO _X_

CURRENT USE STATUS:

Governor's Executive Order No. 3736 to DAGS for Kapolei State
Office Building site purposes.

D-12

LOCATION AND AREA:

Portion of the premises located at the Kakuhihewa Building, Suite 2040, Kapolei, Ewa, Oahu, comprising 480 usable (573 rentable) square feet, as shown on the attached map labeled Exhibit A.

CHARACTER OF USE:

Office space purposes.

TERM:

4 years, 11 months, commencing August 1, 2003 and expiring on June 30, 2008.

RENT AMOUNT:

$1,317.90 per month: 8/1/03-7/31/06
$1,386.66 per month: 8/1/06-6/30/08

CHAPTER 343 - ENVIRONMENTAL ASSESSMENT:

The controlling agency shall be responsible for ensuring compliance with Chapter 343, HRS.

DCCA VERIFICATION:

Federal chartered credit union and 501(c)(1) tax exempt non-profit organization.

REMARKS:

In 1988, the State of Hawaii Land Use Commission (LUC) granted the Estate of James Campbell a Land Use District boundary amendment to change the LUC zoning from agricultural to urban district for the development of Kapolei. One of the conditions required the Estate of James Campbell to provide 40 acres of land to the State at no cost in mutually agreed locations in Kapolei, to be used for governmental offices or other public facilities.

On October 14, 1994, the Board approved the set aside of land acquired by the State from the Estate of James Campbell, to the Department of Accounting and General Services (DAGS) for state office building purposes. Pursuant to the Board's action in 1994, the Kapolei State Office Building was set aside to DAGS under Executive Order 3736.

A lease for office space was executed between DAGS and the Hawaii
State Federal Credit Union for the period from September 1, 1998
to July 31, 2003 regarding Suite 2040 of the building. The
proposed use is consistent with the purpose of the set aside.
The Credit Union is receiving a real property tax exemption for
the office space.

DAGS and the Lessee have agreed to a new lease for a term of 4
years, 11 months retroactive to the expiration of the original
lease. This lease is in compliance with the property deed
restriction as to the use of the premises, whereby non-
governmental offices cannot exceed five percent (5%) of the gross
leaseable area of the building.

The applicant has not had a lease, permit, easement or other
disposition of State lands terminated within the last five years
due to con-compliance with such terms and conditions.

Staff has no objection to the request.

RECOMMENDATION:

That the Board consent to the lease between the Department of
Accounting and General Services and the Hawaii State Federal
Credit Union subject to any applicable conditions cited above
which are by this reference incorporated herein and further
subject to the following:

1.   Review and approval by the Department of the Attorney
       General as to form for the new lease;

2.   Such other terms and conditions as may be prescribed by the
       Chairperson to best serve the interests of the State.

                              Respectfully Submitted,

                              Cecil Santos
                              Oahu District Land Agent

APPROVED FOR SUBMITTAL:

Peter T. Young, Chairperson

EXHIBIT "A"

MAP 83/, MAP 729, HONOLULU, EWA, OAHU, HAWAII (Formerly por. 9-1-16)

LD. CT. APP. 1069,

WAKEA STREET

HAUMEA STREET

MANAWAI STREET

NA'U PLACE

KAMOKILA BOULEVARD

FARRINGTON HIGHWAY

NOTE: All monuments carried by Johnson Equipment Trust behind surface otherwise

NOTE: Roads, Lots 8815-A & 8819-F Abandoned Per HI TK 2015-145

DWG NO. 7403	DATE January 20, 1905	BY DT/RS	SOURCE Ld. Ct. App. 1069, MAP 789